

Department of Public Health
and Human Services

Section:
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:
Non-Compliance Adjustment

Supersedes: FS 1513-2 (07/01/02)

References: 7 CFR 273.11(j)

GENERAL RULE -- When the benefits of a household are reduced under a federal, state, or local means-tested public assistance program because of failure of a food stamp household member to perform an action required under the assistance program, the household's food stamp benefit cannot be increased.

Means-tested programs include: TANF Cash Assistance, Tribal TANF, or BIA Tribal Assistance.

≥ **NOTE:** SSI is not a means tested program since July 1, 2002.

WHEN TO APPLY ADJUSTMENT

The non-compliance adjustment is only applicable when the household member who committed the non-compliance was receiving the other assistance program's benefit and food stamp benefits at the time of the non-compliance. The non-compliance must meet one of the following:

1. A behavioral requirement in the assistance program designed to improve the well-being of the family, such as participating in job search activities. For example, failure to comply with the TANF Family Investment Agreement (FIA) resulting in a sanction; or,
2. The means-tested program is reduced due to repayment of the assistance grant as a result of a failure to take a required action other than a procedural requirement (see #3 below) of the other assistance program.

WHEN NOT TO APPLY ADJUSTMENT

The non-compliance adjustment is not applied when:

1. The non-compliance occurs at the time of initial application or when a new member is added to the household.

EXCEPTION: If the new household member is serving a sanction that was imposed while certified to receive food stamps and the other assistance program's benefits, the non-compliance adjustment is applied to the new household; or,

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If the new member has a repayment due to failure to take a required action (other than a procedural requirement) that will reduce the household's current grant amount, the gross assistance grant amount must be used in the food stamp budget computation.

Example:

Dad and child are open on TANF and food stamps in April; mom and another child are open on TANF and food stamps in a separate case for April. Dad is sanctioned for May due non-compliance with his FIA. Dad and mom reconcile and the households are combined for May. Since dad is sanctioned for May, the non-compliance adjustment must be applied to the new combined case.

2. The disqualification is not a result of non-compliance with the assistance program requirements; e.g., probation/parole violation or ineligible alien, etc.
3. The disqualification is due to a procedural requirement that an individual must take to continue receiving benefits in the assistance program such as, submitting a program form or providing verification of circumstances.

**NON-COMPLIANCE
ADJUSTMENT FOR
DISQUALIFICATION**

The non-compliance adjustment amount for a program disqualification is the difference between the grant amount prior to the disqualification and the grant amount after the disqualification.

Example: Household consists of mom, dad and two children. Dad fails to complete FIA activities resulting in a TANF sanction for April. The household's TANF grant amount is reduced from \$596 to \$494. For April, \$102 must be entered on the UNIN screen coded 'OF'.

**NON-COMPLIANCE
ADJUSTMENT
PROCESS FOR
REPAYMENT**

Use the following steps to assure the correct food stamp allotment is issued during an assistance program reduction due to a repayment as a result of failure to take a required action in the assistance program (other than a procedural requirement).

First determine what caused the repayment.

For **Tribal TANF, or BIA Tribal Assistance**, contact the appropriate agency to determine if the repayment is due to failure to comply with a program requirement (other than a procedural requirement). If so, enter

the gross assistance payment amount on the UNIN screen using the appropriate income code.

For **TANF**, if the recoupment is due to failure to comply with TANF requirements, enter the difference between the gross and net benefit as 'OF' on the UNIN screen. If the repayment is due to an agency-caused error or a procedural requirement, continue to use the net TANF benefit amount.

Document TEAMS case notes and send appropriate notices.

ONGOING NON-COMPLIANCE ADJUSTMENT

When the repayment amount from the TANF program changes, the corresponding 'OF' amount must also change to assure the gross assistance payment amount is being counted in the food stamp budgeting process. For other assistance programs, continue to use the gross benefit amount with the appropriate income code.

The non-compliance adjustment is not changed when determined due to a program sanction. The 'OF' adjustment amount is only redetermined if initially determined in error or when a sanctioned individual moves out of the food stamp household during a sanction penalty period.

NOTE: The non-compliance adjustment is **not** redetermined when a child moves in or out of the food stamp household or annually when TC benefit standards are updated.

DURATION OF PROCESS FOR ADJUSTMENT

Due to TANF, Tribal TANF or BIA Tribal Assistance grant reduction: Non-compliance adjustment continues as long as the assistance program grant is being reduced for a repayment caused by a failure to take a required action other than a procedural requirement.

Due to program disqualification: As long as the program assistance case remains open **and** the individual remains **disqualified** due to a sanction disqualification, the non-compliance adjustment must continue.

EXCEPTION: The non-compliance adjustment continues if the other assistance program's disqualification continues after closure. For example, the TANF one-month ineligibility period.

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screen coded 'OF'. Dad does not end his sanction in April by complying with his FIA resulting in a one-month ineligibility period for the household. For May, \$596 must be entered on the UNIN screen coded 'OF'. Dad does not comply in May, therefore the TANF is officially closed for June. In June the 'OF' income of \$596 must be removed from the UNIN screen.

**RE-APPLICATION
DURING
PENALTY
PERIOD**

The non-compliance adjustment would apply at application if a previous sanction disqualification period is reimposed.

Example: Mom, dad and two children receive TANF. Dad does not comply with his FIA and a sanction is imposed for April. Mom requests case closed March 31st. On April 10th the household reapplies. Dad must serve the TANF sanction for April, therefore, the non-compliance adjustment is imposed for April by including the non-compliance adjustment amount on the UNIN screen as 'OF'.

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